

63-77

27 December 1962

*Card*  
MEMORANDUM FOR: Dr. James R. Millian, Jr.  
Chairman  
President's Foreign Intelligence Advisory Board

For some time I have been concerned with the position of the Director of Central Intelligence and the Deputy Director as members of the Executive Department of the Government. In some respects this is measured by the status of the positions under the Federal Executive Pay Act of 1956. As I have mentioned to you in the past, the Director of Central Intelligence under present regulations falls in category IV and the Deputy Director in category V under the FEPA. Prior to the passage of this Act in 1956 these categories were known as Group VII and Group VIII.

It is my belief that if the DCI is to discharge the responsibilities which your Committee has envisaged in its recommendations, it should be included in category I which now includes 10 Cabinet positions, Director of Office of Emergency Planning, 26 Ambassadors and 31 four-star Generals and Admirals.

The Deputy Director should in my opinion be included in category II which includes among others the Under Secretary of State, Deputy Secretary of Defense, the Comptroller General, the Director of the Bureau of the Budget and the Chairman or the Administrator of principal agencies such as AID, NSA, AEC, FOA, and the Commission on Civil Rights.

I intend to bring this matter to the attention of the President. Changes proposed could be accomplished by an amendment to the National Security Act of 1947 or be made part of the new Executive Pay Bill providing one is considered by the Congress.

I am attaching lists showing the distribution of senior government employees by groups and categories and also the proposed amendment to the National Security Act of 1947.

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*White House*

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**APPENDIX "B"**

**A BILL**

**To amend the National Security Act of 1947, as amended, and for other purposes**

**Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.**

**SEC. 2. The National Security Act of 1947, as amended, is further amended by inserting the following section at the end of section 102(a):**

**"Except as provided in paragraph (b)(2) of this section, the Director shall receive basic compensation at the rate of \$25,000 per annum and the Deputy Director shall have the rank of an Under Secretary and shall be compensated at a rate not to exceed the rate authorized by law for any Under Secretary of an Executive department."**

ED. M. A. H. MAL

**Group 7 - Cont'd.**

**\$21,000**

**Category IV of FEPA**

Under Secretary of the Treasury  
Under Secretary of the Treasury for Monetary Affairs  
Deputy Postmaster General  
Under Secretary of the Interior  
Under Secretary of Agriculture  
Under Secretary of Commerce  
Under Secretary of Commerce for Transportation  
Under Secretary of Labor  
Under Secretary of Health, Education, and Welfare

( \* Notwithstanding the provisions of subsection (2), the annual rate of compensation of the Director of the Federal Bureau of Investigation shall be \$22,000 so long as such office is held by the present incumbent.)

**Other**

Special Counsel to the President  
Secretary to the President (2)  
Deputy Director, Office of Emergency Planning (formerly OCDM)  
Associate Administrator, NASA  
Deputy Attorney General  
Lieutenant General and Vice Admiral (Three-Star) - 97 positions  
(Actual \$21,126)

**Group 8**

**\$20,500**

**Category V of FEPA**

Deputy Director of Central Intelligence  
Chairman of Regulatory Commissions and Boards and Others

**Group 9**

**\$20,000**

**Category VI of FEPA**

This category includes Assistant Secretaries of cabinet posts and various administrators and commissioners of independent agencies. Also includes Under Secretaries and Assistant Secretaries of the three military services and career Ambassadors.

SECRET

It will interest your Committee to know that there are about 150 positions in the government with compensations in excess of the salary provided for category IV of the FEPA.

JOHN A. McCONE  
Director

Attachments - 2

JAM/mfb

Distribution:

Orig - Addressee

1 - DDCI

1 - ER

1 - Exec Dir

1 - General Counsel

1 - DCI chrono

1 - DCI PFIAB file

**APPENDIX "A"**

**GROSS ANNUAL SALARY**

**(Including Allowances Payable in U.S., Where Applicable)**

**Note: FEPA refers to Federal Executive Pay Act of 1956**

**Group 1**  
**\$29,126**  
**Chairman, Joint Chiefs of Staff**  
**Chiefs of Staff, Army and Air Force**  
**Chief of Naval Operations**  
**Commandant of Marine Corps**

**Group 2**  
**\$27,500**  
**Ambassador, Class 1 - 18 positions**

**Group 3**  
**\$25,000**  
**Category I of FEPA**  
**10 Cabinet Positions**

**Other**

**Ambassador, Class 2 - 26 positions**  
**Director, Office of Emergency Planning (formerly**  
**Director, OCDM)**  
**Four-Star General and Admiral - 31 positions**  
**(Actual \$25,226)**

**Group 4**  
**\$22,500**  
**Category II of FEPA**  
**Director, Bureau of the Budget**  
**Comptroller General of the United States**  
**Under Secretary of State**  
**Deputy Secretary of Defense**

**Other**

**Chairman, Atomic Energy Commission**  
**Administrator, Federal Aviation Agency**  
**The Assistant to the President**  
**Staff Director, Commission on Civil Rights**  
**Administrator, NASA**  
**Director, AID**  
**Chief of Overseas Missions, AID**  
**Director, U. S. Arms Control and Disarmament Agency**  
**U. S. Representative to Economic and Social Council, State**

**Group 4 - Cont'd.**

**\$22,500**

**Other**

**U. S. Representative to Trusteeship Council, State**  
**U. S. Representative to International Atomic Energy**  
**Commission, State**  
**Ambassador, Class 3 - 24 positions**  
**Counsellor of U. N. Mission, State**

**Group 5**

**\$22,000**

**Category III of FEPA**

**Secretary of the Army**  
**Secretary of the Navy**  
**Secretary of the Air Force**

**Other**

**Deputy Assistant to the President**  
**Commissioner, Atomic Energy Commission (4)**  
**General Manager, Atomic Energy Commission**  
**Director of Defense Research and Engineering**  
**General Manager, Alaska Railroad, Department of the Interior**  
**Under Secretary of State for Political Affairs**

**Group 6**

**\$21,500**

**Other**

**Deputy Administrator, NASA**  
**Executive Director, Outdoor Recreation Review Committee**  
**Deputy Director, U. S. Arms Control and Disarmament Agency**

**Group 7**

**\$21,000**

**Category IV of FEPA**

**Commissioner of Internal Revenue**  
**Director of Central Intelligence**  
**\* Director of the Federal Bureau of Investigation**  
**Administrator of General Services**  
**Administrator of the Housing and Home Finance Agency**  
**Administrator of Veterans' Affairs**  
**Director of the United States Information Agency**  
**Governor of the Farm Credit Administration**  
**President of the Export-Import Bank of Washington**

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
UNCLASSIFIED		CONFIDENTIAL		SECRET	
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP STAT					
TO	NAME AND ADDRESS	DATE	INITIALS		
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2	<i>ER</i>				
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ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	

Remarks:

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<i>Doc</i>	<i>1/4/63</i>